

**ASSISTANCE TO FOR-PROFITS**  
**Project Packet Cover Sheet**

**Participating Municipalities:** \_\_\_\_\_

**1. Name of Project:** \_\_\_\_\_

**2. Type of Project:** \_\_\_\_\_

***(If proposing more than one Assistance to For-Profit project, please complete a project packet for each proposed project. 7 pages per packet.)***

**3. Project Description:** Please provide a summary of the proposed project. The summary should include a detailed scope of the total project, including the non-CDBG funded components. For regional and joint applicants list the amount of funds allocated per community for the project(s). This description will be used to confirm overall project feasibility.

**4. National Objective: select a) or b)**

a) Benefit to low and moderate income persons \_\_\_\_\_  
• For this national objective, estimate the number of low and moderate income persons to benefit from Project (please provide number, not percentage) \_\_\_\_\_

b) Elimination of slums or blighting conditions:                      Area                      Spot                      Ÿ

**5. Project Budget Information:**

CDBG project cost: \$ \_\_\_\_\_

CDBG delivery cost: \$ \_\_\_\_\_

**Total CDBG cost:** \$ \_\_\_\_\_

Other funds (if applicable): \$ \_\_\_\_\_

**Total Project Cost:** \$ \_\_\_\_\_

Cite sources of other Project funds: \_\_\_\_\_

**6. Estimated number of jobs to be created:** \_\_\_\_\_

**7. Estimated number of jobs to be retained:** \_\_\_\_\_

**8. Estimated CDBG cost per job:** \_\_\_\_\_

**9. Who will manage/implement the Project?** \_\_\_\_\_

<b>Project Budget: ASSISTANCE TO FOR-PROFITS</b>				
<b>Project # _____</b>	<b>Estimated Cost Per Project (\$)</b>	<b>CDBG Cost (\$)</b>	<b>Other Funding Sources (\$)</b>	<b>Total Program Cost (\$)</b>
Budget for loans/grants	\$	\$	\$	\$
Other (Identify):	\$	\$	\$	\$
Delivery costs <sup>1</sup>	\$	\$	\$	\$
<b>Program Totals<sup>2</sup></b>	\$	\$	\$	\$

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<sup>1</sup> Delivery costs are costs to deliver project services, such as portion of Economic Development Specialists time providing direct assistance. Delivery costs are not considered general administrative costs.

<sup>2</sup> Project total for budget form will equal the Budget Summary Sheet.

## **THRESHOLD QUESTIONS:**

- 1. Identify the National Objective that will be met by the project/program.** Describe in detail how your project/program will meet a national objective and how it will be documented. (See page 70 for National Objective guidance and page 81 for the National Objective question.)
- 2. The project/program must be eligible for CDBG assistance.** Identify the type of project/program and cite the applicable provision of Section 105(a) of Title I, Housing and Community Development Act of 1974, as amended. (See Appendix A and pages 52-54 for eligibility guidance.)
- 3. Demonstrate project consistency with the following:** Please provide a Community Development Strategy that includes the proposed project. (See “Guidance on Scored Questions” section and page 81 for the question.)

## **Additional Thresholds:**

- a) Public Benefit: Provide the estimated cost per job, for all jobs that will be created and/or retained.
- b) Underwriting Criteria: Provide the underwriting guidelines that will be used for business loans and/or technical assistance. Guidelines must be able to demonstrate that costs are reasonable, account for all sources of financing, demonstrate the financial feasibility of each project, and consider a return on equity.
- c) Management Capacity (for business loans): Describe the entity’s capacity for administering and operating a small business loan program. Include past experience in loan programs, portfolio management and performance.

## **Project Need - 20 points**

### **4. What is the Need for the proposed Economic Development Project/Program?**

The need for the project will be evaluated upon the extent to which the response meets the following criteria:

- a) Severity of need: examples of information to demonstrate severity of need include, but are not limited to, current characteristics of the target population (LMI people who will receive jobs), including methods of determining need such as, surveys, studies, business failure rates, Community Reinvestment Act reports, unemployment/degree of under employment, local/regional economic factors, loan application rejections. (6 points)

- b) Need for CDBG funds to accomplish this project and documentation of efforts to secure other funds: examples of information to demonstrate need include, but are not limited to, efforts to obtain non-CDBG funding (i.e., local revenues, other public and private resources) to address the identified needs. Document successful and unsuccessful efforts to secure other funds. Identify financing gap to be filled by this project/program and explain why the market is unable to fill this gap. (8 points)
- c) Demand for the economic development project/program: examples of information to demonstrate demand include, but are not limited to, survey, inquiries, waiting lists, and past participation. (2 points)
- d) Community Involvement and Support: community shall demonstrate and document the community and target population's involvement in the development of this project/program and how this community participation process resulted in support for the project/program. (4 points)

### **Project Feasibility - 20 points**

#### **5. Why is the proposed project/program feasible?**

The feasibility of the project will be evaluated upon the extent to which the response meets the following criteria:

- a) Identification and analysis of alternative approaches, their associated costs, and the pros and cons of these approaches: Present rationale for choosing the proposed project/program as the most feasible and cost effective; explain how and why this approach will best meet the identified needs. (4 points)
- b) Readiness of program: examples of information to demonstrate readiness include, but are not limited to, documentation of availability of other funds to complete the project; job creation/retention strategy, marketing strategy; participant selection criteria; credit underwriting standards and terms criteria; grievance procedures. (6 points)
- c) Form of financial assistance: loans, grants, combination, or other, and how this funding mechanism best meets the described needs. If funds are required to continue an existing program, document and demonstrate how and when financial self-sufficiency will be achieved. If the proposed project will recapitalize a revolving loan fund, provide monthly cash flow projections for at least a three-year period based on an analysis of existing portfolio plus the infusion of any new capital including this grant request. The analysis should include types of loans, number of loans, repayment terms, expenses, default rates. (4 points)
- d) Reasonableness of project funding: examples of information to demonstrate reasonableness include, but are not limited to, cost per job for all jobs created or retained, current and detailed cost estimates and the process used to determine that the costs are reasonable; qualifications of the person who

prepared the estimates; past experience; comparable examples; explanation of all sources and uses of funds. (4 points)

- e) Completeness and reasonableness of timeline: examples of information to demonstrate the feasibility of the timeline include, but are not limited to, description of project milestones including environmental review; time required to accomplish each milestone; how all components will be completed within the stated timeframe. (2 points)

### **Project Impact - 15 points**

#### **6. What will be the impact of the proposed project/program?**

The project impact will be evaluated upon the extent to which the response meets the following criteria:

- a) Resources leveraged: Provide documentation of resources leveraged directly for this project which may include, but is not limited to, funding from other sources, bank credit and at favorable or discounted terms, equity, volunteer efforts, and staff/in-kind contribution. Must include a written commitment for all leveraged resources. (6 points)
- b) Impact of the proposed project on the target area or target population: Examples of information to demonstrate impact include, but are not limited to, direct and indirect benefits to beneficiaries; quality of life considerations; economic viability; building/neighborhood stabilization, and the quantitative and qualitative measures the community will use visible improvements. For previously funded programs, please provide a qualitative and quantitative analysis of the impacts of this past program upon the target population and/or area. (4 points)
- c) The degree to which the project is consistent with the Sustainable Development Principles listed in Exhibit 5 of the One Year Action Plan. (5 points.)

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